

Table 4: Insurance Costs, US Engineering Firms

Insurance Trends, 1985 - 1990, All Firms					
Year	Insurance Cost As Percent of Billings	Percentage of Firms Uninsured	DPIC	Percent of Firms Insured By: CNA	Other
1990.....	3.98%	21.6%	36%	24%	17%
1989.....	4.21	19	38	24	19
1988.....	4.50	21	35	27	17
1987.....	5.07	24	33	28	15
1986.....	4.11	19	34	27	20
1985.....	2.87	13	37	19	31

1990 Information, by Firm Size					
Number of Employees					
1-5.....	6.25%	43%	28%	19%	10%
6-10.....	4.52	22	37	22	18
11-25.....	3.69	14	42	25	19
26-100.....	2.82	10	42	26	22
101-500.....	2.18	2	25	34	38
Over 500.....	1.38	9	9	23	59

1990 Information, by Firm Discipline					
Structural.....	6.82%	16%	53%	10%	21%
Mech/Elec.....	3.43	12	39	33	16
Civil.....	3.50	26	32	25	17
Arch/Eng.....	3.10	11	40	28	21
Geotech.....	3.23	33	0	3	64
Other.....	3.46	44	25	17	15

Deductibles, by Firm Size, 1990					
Number of Employees	\$5,000 Or Less	\$5,001- \$10,000	\$10,001- \$25,000	\$25,001- \$100,000	Over \$100,000
1-5.....	70%	24%	6%	0%	0%
6-10.....	39	35	24	2	0
11-25.....	14	23	51	11	1
26-100.....	1	8	42	46	3
101-500.....	0	0	3	54	41
Over 500.....	0	0	0	11	89

Deductibles, 1985 - 1990, All Firms					
Year					
1990.....	25%	19%	30%	19%	5%
1989.....	23	24	29	19	5
1988.....	24	25	28	18	5
1987.....	27	25	28	17	3
1986.....	28	31	23	15	3
1985.....	30	36	21	11	2

Limits of Coverage, by Firm Size, 1990						
Number of Employees	Under \$250,000	\$250,000- \$499,999	\$500,000- \$999,999	\$1,000,000- \$2,499,999	\$2,500,000 \$9,999,999	Over \$10M
1-5.....	15%	40%	27%	18%	0%	0%
6-10.....	7	34	36	22	0	0
11-25.....	2	20	30	47	1	0
26-100.....	1	4	14	80	1	0
101-500.....	0	0	0	71	28	1
Over 500.....	0	0	6	24	59	12

Limits of Coverage, All Firms, 1985-1990						
Year						
1990.....	5%	20%	24%	45%	4%	0%
1989.....	6	23	25	42	4	0
1988.....	7	26	22	41	4	0
1987.....	8	25	23	40	3	1
1986.....	7	23	24	41	4	1
1985.....	8	20	22	42	6	2

Source: American Consulting Engineers